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**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

November 8, 2017

Mr. José B. Carrión III  
Chair  
Financial Oversight and Management Board for Puerto Rico  
VIA EMAIL

Dear Chairman Carrión:

I write to express my outrage and dismay with regard to the appearances by two people from your executive team before the House Natural Resources Committee yesterday and their responses to questions. I urge you to fire them.

I was allowed under a unanimous consent agreement between Republicans and Democrats on the Committee to participate in and ask questions of the witnesses who testified at the hearing titled, *Examining Challenges in Puerto Rico's Recovery and the Role of the Financial Oversight and Management Board* (Tuesday, November 7, 2017; 10:00 AM). Two of the three witnesses on the panel were Ms. Natalie Jaresko, Executive Director, and Noel Zamot, Revitalization Coordinator, both of whom work for you and the other members of the Financial Oversight and Management Board. I also understand that the Board is in the process of installing Mr. Zamot to take over PREPA as its chief transformation officer, a role in which he would essentially function as CEO and emergency manager of the Island's public electricity utility.

In the few minutes I had to ask questions, I posed three. My questions were intended to address my serious concerns related to the suffering of the people of Puerto Rico, which under crushing debt, now faces a very long and expensive road to recovery after historic hurricanes have destroyed the Island. I asked each witness how much he or she made in salary. Mr. Zamot insisted a few times that his salary was a matter of public record, but despite that, initially refused to say on the record what his salary was. After being pressed, he conceded and answered \$350,000. His reluctance to answer a question that was a matter of public record demonstrates to me that he is embarrassed to admit what he earns in his position, likely because he recognizes it as excessive. Ms. Jaresko reported her salary to be \$625,000.

I then asked Ms. Jaresko if she could share with the Committee what the cost estimate the Jones Act is to the people of Puerto Rico, given both the high cost of shipping fuel and the requirement that goods shipped between U.S. ports and territories must be carried on U.S.-built vessels and crewed by U.S. workers. She responded that she did not know. I then asked her if she knew when the Jones Act came into effect. She said she did not know.

Her answers flabbergasted me: I posed basic questions about one of the most commonly understood and highly cited issues contributing to the high cost of food and goods for Puerto Ricans and inhibiting economic development and prosperity, and your Executive Director did not know the answers to my questions. This is absolutely unacceptable. Someone in charge of directing Puerto Rico through its darkest financial days must know more than dealing with debt, paying bondholders and imposing austerity—the Executive Director must at least be equipped with knowledge fundamental to understanding the key contributors to Puerto Rico's debt, how to decrease it and prevent its growth in the future.

As you know, this past week we saw each other at a restaurant where you were accompanied by four security escorts. So my last question was an inquiry as to the costs associated with security for members and staff of the Board. My time for a response to this questions expired before the witnesses had a chance to answer this question, so I ask you to please provide me the following information: how many security staff does each of the Board and staff members have as part of their service or employment with the Board and at what cost? Excessive spending in this regard would be highly objectionable; given that so many first responders throughout Puerto Rico are living without electricity or water (I met a policeman during my last visit to Puerto Rico who was washing his clothes in a bucket with a stick from a tapped mountain stream). I would also like to know why such security is justified in your and your colleague's roles.

Finally, I request that you share with me a full reporting of the Board's last two years of expenditures, which should include all expenses related to the operation of the board, including salaries and benefits of paid staff. In the House of Representatives, all expenditures of Members of Congress and Committee and Leadership offices are released to the public on a quarterly basis <https://disbursements.house.gov/> and we and the people of Puerto Rico should expect no less from the Financial Oversight Board. I urge you to similarly publish the expenditures of the Board on a quarterly basis in English and Spanish on your website so that the information is easily accessible by the public.

Between the shockingly exorbitant salaries of your staff and what appears to me to be an excessive use of a large and unnecessary protection detail, I can only say that I am appalled. Puerto Rico is facing several years of recovery from the historic Hurricanes Irma and Maria, and according to your own Executive Director, is likely to cost the island \$100 billion or more in recovery. Even before the hurricanes, the Puerto Rican people were on the hook for every last penny of the expenses incurred by the Board and its staff. Given what is being asked of the Puerto Rican people to sacrifice to pay for the island's recovery and decades old debt debt for which they are in no way responsible, the very least the public should be able to expect from you, other Board members and staff is that you will act and behave in a reasonably austere and financially responsible manner.

The leadership of your staff is reprehensible and I call on you to replace them.

Sincerely,



Luis V. Gutiérrez  
Member of Congress